Portfolio Holdings and Characteristics

PIMCO

Account No. 1420 September 16, 2008

Bank No. PC9M

State of Montana Public Employee Deferred Comp Plan

PACIFIC INVESTMENT MANAGEMENT COMPANY

Account No: 1420 State of Montana Public Employee Deferred Comp Plan

Portfolio Inventory

As Of Date: 09/16/2008

Currency/American Quote: 1.00000 — **UNITED STATES** — **Currency/European Quote: 1.00000**

CASH EQUIVALENTS (Duration <= 1 Year, Quality >= BAA)

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
CASH EQUIVALENTS														
CASH - U S DOLLARS														
CSH00GSC7	CASH COLLATERAL FUTS GSC USD		1.88%	12/31/2060	A1+	0.00	2.54%	0.60%	1,090,300	100.000	1,090,300	100.000	1,090,300	963
CSH00JPM2	CASH COLLATERAL FUTS JPM USD		1.88%	12/31/2060	A1+	0.00	2.54%	0.22%	400,000	100.000	400,000	100.000	400,000	131
CSH00MLP2	CASH COLLATERAL FUTS MLP USD		1.88%	12/31/2060	A1+	0.00	2.54%	0.02%	40,000	100.000	40,000	100.000	40,000	35
CSH00SAL0	CASH COLLATERAL FUTS SAL USD		3.65%	12/31/2060	A1+	0.00	3.65%	0.06%	120,000	100.000	120,000	100.000	120,000	116
	SUBTOTAL							0.90%			1,650,300		1,650,300	1,245
POOLED FUNDS														
722005402	PIMCO PRV SHORTTERM-SECT FD(742)		4.30%	10/01/2009	AA+	0.51	4.30%	11.84%	2,410,881	9.255	22,312,334	8.900	21,456,839	0
	SUBTOTAL							11.84%			22,312,334		21,456,839	0
	TOTAL CASH EQUIVALENTS							**12.74%**			**23,962,634**		**23,107,139**	**1,245**
SHORT-TERM INVESTMENT FUNDS[1]														
SHORT-TERM INVESTMENT FUNDS														
899100499	FINL FUTURES MAINTENANCE ACCT		1.65%	12/01/2015	A1+	0.00	1.65%	0.93%	1,693,039	100.000	1,693,039	100.000	1,693,039	0
9840608A4	STATE STREET REPO		1.65%	12/01/2015	A1+	0.00	2.00%	0.00%	1	100.000	1	100.000	1	4,335
	SUBTOTAL							0.93%			1,693,040		1,693,040	4,335
	TOTAL SHORT-TERM INVESTMENT FUNDS							**0.93%**			**1,693,040**		**1,693,040**	**4,335**
TREASURIES/AGENCIES														
REPURCHASE AGREEMENTS														
UTR8261L6	U S TREASURY REPO		0.50%	09/17/2008	AAA	0.00	0.50%	3.58%	6,500,000	100.000	6,500,000	100.000	6,500,000	90
	SUBTOTAL							3.58%			6,500,000		6,500,000	90
US TREASURY BILLS														
912795G70	U S TREASURY BILLS	US912795G709	1.68%	09/25/2008	AAA	0.02	1.68%	0.49%	900,000	99.772	897,946	99.997	899,969	0
912795H87	U S TREASURY BILLS	US912795H871	1.55%	11/28/2008	AAA	0.19	1.55%	0.22%	400,000	99.591	398,363	99.865	399,462	0
912795H87	U S TREASURY BILLS	US912795H871	1.55%	11/28/2008	AAA	0.19	1.55%	0.13%	250,000	99.591	248,977	99.865	249,664	0
912795J28	U S TREASURY BILLS	US912795J281	0.60%	12/11/2008	AAA	0.23	0.46%	1.92%	3,500,000	99.641	3,487,442	99.844	3,494,547	0

1. Short Term Investment Funds (STIF) represent residual cash for month-end reporting purposes. It does not indicate an actual holding of a security.

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest

Currency/American Quote: 1.00000 — **UNITED STATES** — **Currency/European Quote: 1.00000**

CASH EQUIVALENTS (Duration <= 1 Year, Quality >= BAA)

TREASURIES/AGENCIES

US TREASURY BILLS

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
912795J28	U S TREASURY BILLS	US912795J281	0.60%	12/11/2008	AAA	0.23	0.46%	0.41%	750,000	99.641	747,309	99.844	748,832	0
	SUBTOTAL							3.17%			5,780,037		5,792,473	0
	TOTAL TREASURIES/AGENCIES							**6.75%**			**12,280,037**		**12,292,473**	**90**

MORTGAGES

SHORT TERM ADJUSTABLE RATE MORTGAGES

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
07384M7C0	BSARM 2005-2 A1 1YRCMT+245	US07384M7C06	4.13%	03/25/2035	AAA	1.00	4.42%	0.68%	1,334,235	97.699	1,303,537	93.305	1,244,914	7,033
161630AA6	CHASE 2007-A1 1A1 ARM WM34 WC4.62	US161630AA63	4.42%	02/25/2037	AAA	0.75	4.81%	0.33%	655,534	98.906	648,364	91.987	603,004	3,704
31395A3J2	FSPC T-61 1A1 12MTA+140	US31395A3J20	4.69%	07/25/2044	AAA	0.00	5.11%	0.48%	965,426	101.180	976,815	91.761	885,887	5,786
576433GF7	MARM 2003-6 3A1 ARM WM33 WC4.947	US576433GF78	4.67%	12/25/2033	AAA	0.75	4.69%	0.34%	624,612	97.938	611,729	99.644	622,386	3,730
86359LPD5	SAMI 2005-AR5 A1 1MLIB+25	US86359LPD54	2.72%	07/19/2035	AAA	0.00	4.28%	0.03%	89,305	98.125	87,631	63.516	56,723	189
	SUBTOTAL							1.86%			3,628,077		3,412,914	20,440

SHORT TERM COLLATERALIZED MORTGAGE OBLIGATIONS

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
31393EUZ0	FNR 2003-88 F SEQ 1MLIB+65	US31393EUZ05	3.12%	05/25/2030	AAA	0.00	3.15%	0.43%	800,599	99.750	798,597	99.216	794,322	1,527
31393EVE6	FNR 2003-88 FE SEQ 1MLIB+60	US31393EVE66	3.07%	05/25/2030	AAA	0.00	3.09%	0.13%	248,462	100.266	249,122	99.280	246,673	466
31394D2N9	FNR 2005-47 PA WM32 WC5.9219	US31394D2N97	5.50%	09/25/2024	AAA	1.00	5.44%	0.43%	783,162	99.664	780,531	101.171	792,334	5,712
31397JTZ7	FHR 3346 FA 1ML+23	US31397JTZ74	2.72%	02/15/2019	AAA	0.00	2.79%	1.37%	2,568,358	99.977	2,567,756	97.323	2,499,591	388
36828QAB2	GECMC 2003-C1 A2 SEQ WM15 WC5.8168	US36828QAB23	4.09%	01/10/2038	AAA	1.00	4.14%	0.89%	1,632,462	97.750	1,595,731	98.860	1,613,851	2,970
79549AQP7	SBM7 2002-1-A1 1ML+50 144A	US79549AQP74	2.97%	05/25/2032	AAA	0.00	3.18%	0.04%	89,643	100.000	89,643	93.559	83,869	163
	SUBTOTAL							3.29%			6,081,380		6,030,641	11,226
	TOTAL MORTGAGES							**5.15%**			**9,709,457**		**9,443,555**	**31,666**

CORPORATES

FLOATING RATE NOTES

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
031162AU4	AMGEN INC GLBL SR	US031162AU45	2.89%	11/28/2008	A+	0.01	2.89%	0.82%	1,500,000	100.000	1,500,000	99.868	1,498,025	2,408
06050TKK7	BANK OF AMERICA NA BKNT FRN	US06050TKK78	2.81%	02/27/2009	AAA	0.10	2.81%	1.71%	3,100,000	100.000	3,100,000	99.948	3,098,394	5,081
126650BG4	CVS CAREMARK CORP SR UNSEC FRN	US126650BG49	3.11%	06/01/2010	BAA+	0.25	3.17%	0.43%	800,000	100.000	800,000	98.170	785,363	1,106
14149YAR9	CARDINAL HEALTH INC GLBL SR UNSEC F	US14149YAR99	3.05%	10/02/2009	BAA+	0.10	3.11%	0.43%	800,000	100.000	800,000	98.270	786,160	5,224
14912L3X7	CATERPILLAR FIN SERV CRP FRN MTN	US14912L3X71	3.56%	06/24/2011	A	0.00	3.66%	0.96%	1,800,000	100.000	1,800,000	97.341	1,752,129	14,771

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UNITED STATES

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CASH EQUIVALENTS (Duration <= 1 Year, Quality >= BAA)

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
CORPORATES														
FLOATING RATE NOTES														
17275RAA0	CISCO SYSTEMS INC FRN	US17275RAA05	2.89%	02/20/2009	A+	0.10	2.89%	1.65%	3,000,000	100.068	3,002,040	100.067	3,002,010	6,266
761713AS5	REYNOLDS AMERICAN INC GLBL FRN	US761713AS52	3.52%	06/15/2011	BAA	0.00	3.69%	0.99%	1,900,000	100.000	1,900,000	95.342	1,811,494	371
887317AA3	TIME WARNER INC FRN	US887317AA30	3.03%	11/13/2009	BAA+	0.10	3.09%	0.54%	1,000,000	100.089	1,000,890	98.166	981,660	2,949
92976FBC6	WACHOVIA BANK NA SR NT FRN	US92976FBC68	2.84%	03/23/2009	AA	0.10	2.87%	0.27%	500,000	100.000	500,000	99.103	495,516	3,394
	SUBTOTAL							7.80%			14,402,930		14,210,751	41,571
SHORT TERM ASSET BACKED SECURITIES														
04541GLG5	ABSHE 2004-HE6 A1 1MLIB+27.5	US04541GLG54	2.75%	09/25/2034	AAA	0.00	3.16%	0.03%	63,042	100.070	63,087	86.933	54,804	111
12666CAB9	CWL 2006-23 2A1 STEP 1MLIB+5	US12666CAB90	2.52%	05/25/2037	AAA	0.00	2.60%	0.20%	385,009	99.961	384,859	96.817	372,756	620
12666TAH9	CWL 2006-11 3AV1 1MLIB+6	US12666TAH95	2.53%	09/25/2046	AAA	0.00	2.54%	0.03%	57,943	99.977	57,929	99.627	57,727	94
83611DAA6	SVHE 2006-NLC1 A1 144A 1MLIB+6	US83611DAA63	2.53%	11/25/2036	AAA	0.00	2.62%	0.08%	167,888	100.000	167,888	96.483	161,982	272
	SUBTOTAL							0.34%			673,762		647,269	1,096
SHORT TERM NOTES - PRIVATE PLACEMENTS														
02666QXW8	AMERICAN HONDA FIN FRN 144A MTN	US02666QXW85	2.87%	03/09/2009	AA-	0.10	2.88%	0.82%	1,500,000	100.000	1,500,000	99.927	1,498,910	958
29364LAW2	ENTERGY GULF STATES 1ST MTGE 144A	US29364LAW28	3.57%	12/08/2008	BAA+	0.10	3.57%	0.20%	366,000	100.000	366,000	99.980	365,928	326
59217EBF0	METLIFE GLBL FUNDING I FRN 144A	US59217EBF07	2.85%	05/17/2010	AA	0.00	2.88%	1.30%	2,400,000	99.972	2,399,329	98.826	2,371,822	5,694
	SUBTOTAL							2.32%			4,265,329		4,236,659	6,978
	TOTAL CORPORATES							**10.46%**			**19,342,021**		**19,094,679**	**49,646**
EUROS / YANKEES														
SHORT TERM NOTES - PRIVATE PLACEMENTS														
6325C0AN1	NATIONAL AUSTRALIA BANK FRN BD 144A	US6325C0AN17	3.25%	02/08/2010	AA+	0.13	3.25%	0.49%	900,000	100.000	900,000	100.024	900,219	3,253
90466EAA5	UNICREDITO LUXEM FIN 144A SR FRN	US90466EAA55	2.85%	10/24/2008	AA	0.10	2.85%	0.82%	1,500,000	100.000	1,500,000	99.975	1,499,630	6,523
	SUBTOTAL							1.31%			2,400,000		2,399,848	9,775
	TOTAL EUROS / YANKEES							**1.31%**			**2,400,000**		**2,399,848**	**9,775**
	TOTAL CASH EQUIVALENTS (Duration <= 1 Year, Quality >= BAA)							**37.34%**			**69,387,190**		**68,030,733**	**96,757**

PACIFIC INVESTMENT MANAGEMENT COMPANY

Account No: 1420 State of Montana Public Employee Deferred Comp Plan

Portfolio Inventory

As Of Date: 09/16/2008

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BONDS (Duration > 1 Year, and/or Quality < BAA)

TREASURIES/AGENCIES

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
US TREASURIES														
912810EE4	U S TREASURY BOND	US912810EE48	8.50%	02/15/2020	AAA	8.30	5.93%	0.63%	800,000	139.313	1,114,500	143.281	1,146,250	6,098
912810FP8	U S TREASURY BOND	US912810FP85	5.38%	02/15/2031	AAA	14.11	1.59%	7.08%	10,900,000	112.019	12,210,051	117.805	12,840,712	53,589
912810PT9	U S TREASURY BOND	US912810PT97	4.75%	02/15/2037	AAA	16.39		-0.06%	-100,000	104.029	-104,029	110.594	-110,594	0
912810PU6	U S TREASURY BOND	US912810PU60	5.00%	05/15/2037	AAA	16.29		-6.85%	-10,800,000	112.835	-12,186,144	115.016	-12,421,696	0
912810PW2	U S TREASURY BOND	US912810PW27	4.38%	02/15/2038	AAA	16.96	6.45%	1.90%	3,300,000	97.132	3,205,354	104.813	3,458,816	13,339
9128277L0	U S TREASURY NOTE	US9128277L09	4.88%	02/15/2012	AAA	3.18		-10.46%	-17,500,000	106.722	-18,676,417	108.344	-18,960,165	0
912828AJ9	U S TREASURY NOTE	US912828AJ96	4.38%	08/15/2012	AAA	3.63		-3.20%	-5,400,000	105.801	-5,713,249	107.477	-5,803,736	0
912828BA7	U S TREASURY NOTE	US912828BA78	3.63%	05/15/2013	AAA	4.32		-1.03%	-1,800,000	103.310	-1,859,575	104.352	-1,878,329	0
912828DV9	U S TREASURY NOTE	US912828DV97	4.13%	05/15/2015	AAA	5.93		-0.44%	-750,000	105.878	-794,088	107.195	-803,966	0
912828FQ8	U S TREASURY NOTE	US912828FQ84	4.88%	08/15/2016	AAA	6.77		-1.96%	-3,200,000	109.840	-3,514,876	111.258	-3,560,253	0
912828GS3	U S TREASURY BOND	US912828GS32	4.50%	05/15/2017	AAA	7.40		-5.67%	-9,500,000	105.479	-10,020,463	108.258	-10,284,501	0
912828HR4	U S TREASURY NOTE	US912828HR40	3.50%	02/15/2018	AAA	8.21		-0.27%	-500,000	97.557	-487,785	100.555	-502,774	0
912828HZ6	U S TREASURY NOTE	US912828HZ65	3.88%	05/15/2018	AAA	8.29		-10.48%	-18,400,000	100.234	-18,443,059	103.258	-18,999,454	0
912828JC5	U S TREASURY NOTE	US912828JC52	2.88%	06/30/2010	AAA	1.74		-0.11%	-200,000	101.180	-202,360	101.774	-203,547	0
912828JD3	U S TREASURY NOTE	US912828JD36	3.38%	06/30/2013	AAA	4.45		-5.06%	-8,900,000	101.461	-9,030,021	103.141	-9,179,522	0
912828JG6	U S TREASURY NOTE	US912828JG66	3.38%	07/31/2013	AAA	4.52		1.59%	2,800,000	102.360	2,866,073	103.172	2,888,813	15,664
		SUBTOTAL						-34.39%			-61,636,087		-62,373,943	88,691
US TREASURY - REAL RETURN BONDS														
912810FR4	U S TREASURY INFLATE PROT BD	US912810FR42	2.38%	01/15/2025	AAA	10.83	2.30%	0.59%	1,047,321	102.793	1,076,570	103.211	1,080,950	4,326
912810PS1	U S TREASURY INFLATE PROT BD	US912810PS15	2.38%	01/15/2027	AAA	11.89	2.31%	0.06%	108,770	105.178	114,402	102.914	111,940	449
912810PV4	U S TREASURY INFLATE PROT BD	US912810PV44	1.75%	01/15/2028	AAA	12.94	1.88%	1.02%	1,989,376	93.081	1,851,728	93.328	1,856,649	6,055
		SUBTOTAL						1.67%			3,042,699		3,049,539	10,830
US TREASURY FUTURES														
TYZ800000	FIN FUT US 10YR CBT 12/19/08		6.00%	12/20/2008	AAA	6.30		19.35%	29,800,000	116.203	34,628,533	117.703	35,075,531	0
USZ800001	FIN FUT US 30YR CBT 12/19/08		6.00%	12/20/2008	AAA	10.60		-3.28%	-4,900,000	117.930	-5,778,555	121.625	-5,959,625	0
		SUBTOTAL						16.07%			28,849,978		29,115,906	0
		TOTAL TREASURIES/AGENCIES						**-16.65%**			**-29,743,409**		**-30,208,498**	**99,520**

MORTGAGES

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
ADJUSTABLE RATE MORTGAGES														
05951EAM9	BAFC 2006-J 4A1 ARM WM36 WC6.3954	US05951EAM93	6.13%	01/20/2047	AAA	1.75	8.65%	0.25%	654,166	96.266	629,737	70.874	463,630	5,125

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MORTGAGES

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
ADJUSTABLE RATE MORTGAGES														
07384M4J8	BSARM 2004-10 22A1 ARM WM34 WC5.312	US07384M4J85	4.94%	01/25/2035	AAA	2.75	5.31%	0.36%	711,634	96.450	686,371	93.159	662,952	4,495
07386HSZ5	BALTA 2005-4 23A2 AS WM35 WC5.8	US07386HSZ54	5.37%	05/25/2035	AAA	1.25	6.24%	0.14%	306,782	101.059	310,030	86.010	263,862	2,105
07386HVS7	BALTA 2005-7 22A1 WM35 WC5.8338 ARM	US07386HVS74	5.50%	09/25/2035	AAA	1.25	6.68%	0.18%	413,998	98.500	407,788	82.457	341,369	2,912
07402FAA3	BSSP 2007-R6 1A1 ARM	US07402FAA30	5.67%	01/26/2036	AAA	1.75	7.11%	0.30%	681,240	99.469	677,620	79.798	543,619	4,937
31409URU1	FN ARM 878999 1YRLIB+162.5 10.9	US31409URU15	5.15%	02/01/2036	AAA	1.75	5.12%	0.36%	659,317	99.016	652,827	100.658	663,652	4,674
362341RX9	GSR 2005-AR6 2A1 WM35 WC4.9	US362341RX95	4.54%	09/25/2035	AAA	1.75	5.00%	0.27%	540,510	99.406	537,301	90.786	490,708	3,135
466247LZ4	JPMMT 2005-A1 6T1 ARM WM33 WC5.2725	US466247LZ44	5.02%	02/25/2035	AAA	3.50	5.59%	0.25%	508,693	94.281	479,602	89.789	456,750	3,265
92922F4M7	WAMU 2005-AR13 A1A 1MLIB+29	US92922F4M79	2.76%	10/25/2045	AAA	0.00	4.30%	0.09%	278,554	100.000	278,554	64.211	178,863	492
	SUBTOTAL							2.20%			4,659,829		4,065,405	31,139
COLLATERALIZED MORTGAGE OBLIGATIONS														
22540VK43	CSFB 2002-P1A A 1MLIB+63 AMBAC	US22540VK434	3.80%	03/25/2032	AAA	0.00	4.14%	0.02%	47,800	100.000	47,800	91.708	43,836	232
31396V4Q8	FNR 2007-73 A1 1MLIB+6	US31396V4Q81	2.53%	07/25/2037	AAA	0.00	2.57%	0.35%	658,990	98.875	651,577	98.359	648,179	1,066
93934EAA3	WAMU 2003-R1 A1 1MLIB+27	US93934EAA38	3.01%	12/25/2027	AAA	0.00	3.51%	0.71%	1,509,047	99.632	1,503,489	85.861	1,295,676	2,778
	SUBTOTAL							1.08%			2,202,865		1,987,691	4,075
PASS-THRU CERTIFICATES														
01F0424A8	FNMA TBA 4.5% OCT 15YR	US01F0424A83	4.50%	10/20/2023	AAA	3.82		1.64%	3,000,000	98.875	2,966,250	99.188	2,975,625	0
01F0426A6	FNMA TBA 4.5% OCT	US01F0426A65	4.50%	10/14/2038	AAA	5.48		3.72%	7,000,000	96.585	6,760,938	96.500	6,755,000	0
01F0506A9	FNMA TBA 5.00% OCT	US01F0506A92	5.00%	10/14/2038	AAA	4.50		14.78%	27,000,000	97.152	26,230,938	99.203	26,784,837	0
01F0506B7	FNMA TBA 5.00% NOV	US01F0506B75	5.00%	11/13/2038	AAA	4.50		0.54%	1,000,000	99.313	993,125	98.984	989,844	0
01F0526A5	FNMA TBA 5.50% OCT	US01F0526A56	5.50%	10/14/2038	AAA	3.48		-16.66%	-29,900,000	98.452	-29,437,215	100.953	-30,184,977	0
01F0606A8	FNMA TBA 6.00% OCT	US01F0606A83	6.00%	10/14/2038	AAA	2.47		0.33%	600,000	101.313	607,875	102.172	613,031	0
01F0626A4	FNMA TBA 6.50% OCT	US01F0626A48	6.50%	10/14/2038	AAA	1.60		4.55%	8,000,000	102.313	8,185,000	103.109	8,248,752	0
01N050693	GNMA I TBA 5% SEPT	US01N0506939	5.00%	09/22/2038	AAA	4.44		0.00%	0	0.000	0	99.984	0	0
01N0506A0	GNMA I TBA 5% OCT	US01N0506A01	5.00%	10/22/2038	AAA	4.44		2.75%	5,000,000	99.618	4,980,898	99.765	4,988,250	0
01N060692	GNMA I TBA 6.00% SEP	US01N0606929	6.00%	09/22/2038	AAA	2.28		0.56%	1,000,000	100.406	1,004,063	102.484	1,024,844	0
01N0606A9	GNMA I TBA 6.00% OCT	US01N0606A91	6.00%	10/22/2038	AAA	2.28		15.63%	27,700,000	102.316	28,341,656	102.234	28,318,929	0
01N062698	GNMA I TBA 6.50% SEP	US01N0626984	6.50%	09/22/2038	AAA	1.46		0.22%	400,000	102.313	409,250	103.172	412,688	0
3128M6NB0	FHLMC GOLDCONV #G0-4586	US3128M6NB02	5.50%	04/01/2038	AAA	3.48	5.45%	0.51%	931,532	97.000	903,586	100.978	940,640	2,277
31402CPL0	FNMA PASS THRU MTG #725027	US31402CPL09	5.00%	11/01/2033	AAA	4.05	5.01%	2.69%	4,888,925	96.750	4,730,035	99.764	4,877,374	31,379
31402CT44	FNMA PASS THRU DWARF #725171	US31402CT445	4.00%	01/01/2019	AAA	4.06	4.04%	0.21%	387,353	97.672	378,335	99.063	383,722	1,995
31402FBH7	FNMA PASS THRU DWARF #727340	US31402FBH73	4.00%	07/01/2018	AAA	3.84	4.04%	0.30%	564,632	95.055	536,710	99.063	559,339	2,917
31402JV79	FNMA PASS THRU DWARF #730638	US31402JV792	4.00%	08/01/2018	AAA	3.84	4.04%	1.03%	1,886,287	94.938	1,790,794	99.063	1,868,603	9,722
31403EPL5	FNMA PASS THRU DWARF #746627	US31403EPL55	4.00%	09/01/2018	AAA	3.84	4.04%	0.15%	287,321	95.750	275,110	99.063	284,627	1,476

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest

Currency/American Quote: 1.00000 **UNITED STATES** Currency/European Quote: 1.00000

BONDS (Duration > 1 Year, and/or Quality < BAA)

MORTGAGES

PASS-THRU CERTIFICATES

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
31405CPM5	FNMA PASS THRU DWARF #785328	US31405CPM54	4.00%	06/01/2019	AAA	4.06	4.09%	0.39%	725,534	94.266	683,929	97.813	709,663	3,724
31407RBP8	FNMA PASS THRU MTG #838046	US31407RBP82	4.50%	09/01/2035	AAA	5.48	4.65%	0.44%	833,034	91.055	758,516	96.851	806,804	4,809
31407RY99	FNMA PASS THRU MTG #838736	US31407RY996	4.50%	09/01/2035	AAA	5.48	4.65%	0.34%	642,576	91.055	585,096	96.851	622,343	3,698
31409TT40	FNMA PASS THRU MTG #878171	US31409TT402	4.50%	07/01/2036	AAA	5.48	4.66%	0.08%	155,960	91.055	142,009	96.664	150,757	898
31410GWS8	FNMA PASS THRU MTG #889057	US31410GWS82	5.00%	09/01/2035	AAA	4.19	5.01%	2.17%	3,956,466	95.062	3,761,116	99.826	3,949,591	25,389
31410M3L2	FNMA PASS THRU MTG #891903	US31410M3L28	6.00%	06/01/2036	AAA	2.47	5.86%	0.21%	371,701	100.605	373,952	102.442	380,777	2,852
31410MXH8	FNMA PASS THRU MTG #891780	US31410MXH86	6.00%	06/01/2036	AAA	2.47	5.86%	0.22%	399,492	100.605	401,911	102.442	409,247	3,065
31412MQN1	FNMA PASS THRU MTG #929361	US31412MQN10	5.00%	05/01/2038	AAA	4.50	5.03%	0.54%	998,528	96.266	961,239	99.389	992,424	6,385
31412TGW7	FNMA PASS THRU MTG #934113	US31412TGW71	5.00%	07/01/2038	AAA	4.50		0.00%	0	0.000	0	99.389	0	3,073
31412TMM2	FNMA PASS THRU MTG #934264	US31412TMM26	5.00%	06/01/2038	AAA	4.50		0.00%	0	0.000	0	99.389	0	4,166
31412TNW9	FNMA PASS THRU MTG #934305	US31412TNW98	5.00%	06/01/2038	AAA	4.50		0.00%	0	0.000	0	99.389	0	4,166
31412TVP5	FNMA PASS THRU MTG #934522	US31412TVP55	5.00%	03/01/2038	AAA	4.50	5.03%	1.63%	2,976,533	94.781	2,821,195	99.389	2,958,338	19,115
31413VQZ3	FNMA PASS THRU MTG #956872	US31413VQZ30	5.00%	04/01/2038	AAA	4.50	5.03%	0.10%	199,755	96.266	192,295	99.389	198,534	1,277
31414EAL8	FNMA PASS THRU MTG #963611	US31414EAL83	5.00%	06/01/2038	AAA	4.50		0.00%	0	0.000	0	99.389	0	5,260
31414QN60	FNMA PASS THRU MTG #973013	US31414QN609	4.50%	03/01/2038	AAA	5.48	4.66%	0.52%	992,875	91.531	908,791	96.633	959,441	5,736
31414TLU3	FNMA PASS THRU MTG #975639	US31414TLU33	5.00%	07/01/2038	AAA	4.50		0.00%	0	0.000	0	99.389	0	2,098
31415BAT6	FNMA PASS THRU MTG #981618	US31415BAT61	5.00%	06/01/2038	AAA	4.50		0.00%	0	0.000	0	99.389	0	4,167
31415BBD0	FNMA PASS THRU MTG #981636	US31415BBD01	5.00%	06/01/2038	AAA	4.50		0.00%	0	0.000	0	99.389	0	4,167
31415M2V6	FNMA PASS THRU MTG #984688	US31415M2V67	5.00%	07/01/2038	AAA	4.50		0.00%	0	0.000	0	99.389	0	12,501
31415ST69	FNMA PASS THRU MTG #988073	US31415ST690	5.00%	07/01/2038	AAA	4.50		0.00%	0	0.000	0	99.389	0	2,069
36201QV42	GNMA PASS THRU SGL FAML #590235X	US36201QV426	6.00%	08/15/2032	AAA	2.23	5.84%	0.02%	42,133	101.844	42,910	102.816	43,319	112
36202TD86	GNMA PASS THRU SGL FAML #608627X	US36202TD863	6.00%	06/15/2034	AAA	2.28	5.84%	0.01%	32,424	101.844	33,022	102.691	33,297	86
36202XGQ4	GNMA PASS THRU SGL FAML #612307X	US36202XGQ43	6.00%	09/15/2036	AAA	2.28	5.85%	0.42%	752,891	101.844	766,772	102.564	772,198	2,008
36290SHU8	GNMA PASS THRU SGL FAML #615943X	US36290SHU87	4.50%	09/15/2033	AAA	5.28	4.63%	0.02%	47,691	92.688	44,204	97.138	46,326	95
36292LJ88	GNMA PASS THRU SGL FAML #651987X	US36292LJ884	5.50%	05/15/2036	AAA	3.33	5.41%	0.43%	776,368	97.828	759,506	101.691	789,493	1,898
36294SQT7	GNMA PASS THRU SGL FAML #658466X	US36294SQT77	6.00%	01/15/2037	AAA	2.28	5.85%	0.01%	33,716	101.844	34,338	102.534	34,571	90
36295CXD8	GNMA PASS THRU SGL FAML #666776X	US36295CXD81	5.50%	07/15/2037	AAA	3.33	5.41%	0.04%	76,649	97.828	74,984	101.659	77,921	187
		SUBTOTAL						40.54%			73,003,131		73,776,172	172,859

POOLED FUNDS

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
722005808	PIMCO PRV MORTGAGE SEC FUND(722)		5.03%	06/01/2013	AAA	2.95	5.03%	1.39%	237,648	10.802	2,566,990	10.670	2,535,701	0
		SUBTOTAL						1.39%			2,566,990		2,535,701	0
		TOTAL MORTGAGES						**45.21%**			**82,432,816**		**82,364,969**	**208,073**

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest

Currency/American Quote: 1.00000 UNITED STATES Currency/European Quote: 1.00000

BONDS (Duration > 1 Year, and/or Quality < BAA)

CORPORATES

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
BANK CAPITAL														
404280AH2	HSBC HOLDINGS PLC GLBL SUB NT	US404280AH22	6.50%	09/15/2037	AA-	12.93	7.20%	0.44%	900,000	95.584	860,259	90.245	812,209	325
	SUBTOTAL							0.44%			860,259		812,209	325
FINANCE														
025816AY5	AMERICAN EXPRESS GLBL SR NT	US025816AY50	7.00%	03/19/2018	A+	7.13	7.31%	0.42%	800,000	99.617	796,936	95.699	765,588	27,689
02635PTS2	AMERICAN GENERAL FINANCE MTN	US02635PTS29	6.90%	12/15/2017	A-	5.26	21.97%	0.60%	3,500,000	99.290	3,475,150	31.412	1,099,427	61,717
060505DH4	BANK OF AMERICA CORP GLBL SR NT	US060505DH44	6.00%	09/01/2017	AA	7.03	6.56%	0.30%	600,000	100.457	602,742	91.495	548,968	1,600
06051GDX4	BANK OF AMERICA NA GLBL NT	US06051GDX43	5.65%	05/01/2018	AA	7.50	6.59%	1.70%	3,600,000	99.465	3,580,740	85.742	3,086,716	76,275
172967EH0	CITIGROUP INC GLBL NT	US172967EH05	6.00%	08/15/2017	AA-	6.99	6.77%	0.14%	300,000	100.774	302,322	88.599	265,798	1,600
172967EQ0	CITIGROUP INC SR NT	US172967EQ04	5.50%	04/11/2013	AA-	4.07	5.95%	2.19%	4,300,000	99.492	4,278,156	92.400	3,973,196	102,483
36962G3P7	GENERAL ELEC CAP CORP GLBL SR NT	US36962G3P70	5.88%	01/14/2038	AAA	13.26	7.24%	0.80%	1,800,000	98.599	1,774,782	81.172	1,461,098	18,506
38141GFD1	GOLDMAN SACHS GROUP INC SUB NT	US38141GFD16	6.75%	10/01/2037	A+	11.16	10.18%	0.03%	100,000	95.094	95,094	66.332	66,332	3,113
38141GFM1	GOLDMAN SACHS GROUP INC SR NT	US38141GFM15	6.15%	04/01/2018	AA-	7.24	7.82%	0.21%	500,000	99.816	499,080	78.634	393,172	14,179
5252M0FD4	LEHMAN BROS HLDGS MTN***DEF***	US5252M0FD44	6.88%	05/02/2018	B-	1.00	22.54%	0.11%	700,000	99.669	697,683	30.500	213,500	0
59018YN64	MERRILL LYNCH & CO NT	US59018YN641	6.88%	04/25/2018	A	7.07	7.81%	0.87%	1,800,000	99.914	1,798,452	88.067	1,585,208	48,813
6174466Q7	MORGAN STANLEY GLBL SR UNSEC MTN	US6174466Q77	6.63%	04/01/2018	A+	7.08	8.78%	0.74%	1,800,000	95.601	1,720,818	75.453	1,358,161	54,988
61744YAD0	MORGAN STANLEY SR UNSEC MTN	US61744YAD04	5.95%	12/28/2017	A+	7.09	8.20%	0.68%	1,700,000	99.717	1,695,189	72.564	1,233,581	22,197
	SUBTOTAL							8.79%			21,317,144		16,050,744	433,159
INDUSTRIALS														
00206RAJ1	AT&T INC GLBL BD	US00206RAJ14	5.50%	02/01/2018	A	7.45	5.73%	0.52%	1,000,000	99.780	997,800	96.013	960,132	7,028
013817AL5	ALCOA INC	US013817AL50	5.55%	02/01/2017	BAA+	6.76	6.10%	0.65%	1,300,000	98.138	1,275,794	91.013	1,183,174	9,219
013817AS0	ALCOA INC NT	US013817AS04	6.75%	07/15/2018	BAA+	7.39	6.84%	0.49%	900,000	99.684	897,156	98.685	888,163	10,463
120569AA6	BUNGE NA FINANCE LP GLBL CO GTD	US120569AA64	5.90%	04/01/2017	BAA	6.73	6.68%	1.66%	3,419,000	96.322	3,293,249	88.332	3,020,057	93,016
13342BAC9	CAMERON INTL CORP GLBL SR NT	US13342BAC90	6.38%	07/15/2018	BAA+	7.52	6.33%	0.50%	900,000	101.869	916,821	100.780	907,020	12,909
205944AB7	CON-WAY INC SR UNSEC	US205944AB76	7.25%	01/15/2018	BAA	7.00	7.14%	1.96%	3,500,000	102.683	3,593,905	101.574	3,555,094	43,701
257867AT8	DONNELLEY (R.R.) & SONS NT	US257867AT88	6.13%	01/15/2017	BAA+	6.60	6.59%	0.87%	1,700,000	100.228	1,703,876	92.960	1,580,327	17,933
260543BV4	DOW CHEMICAL COMPANY NT	US260543BV48	5.70%	05/15/2018	A-	7.58	5.97%	1.47%	2,800,000	99.553	2,787,484	95.455	2,672,726	58,077
28336LAV1	EL PASO CORP	US28336LAV18	7.75%	06/15/2010	BA-	1.64	7.53%	0.14%	250,000	94.503	236,258	102.959	257,397	4,951
29273RAH2	ENERGY TRANSFER PARTNERS SR UNSE	US29273RAH21	6.70%	07/01/2018	BAA-	7.39	6.75%	0.98%	1,800,000	99.706	1,794,708	99.315	1,787,675	25,460
423074AJ2	HEINZ HJ CO SR UNSEC	US423074AJ20	5.35%	07/15/2013	BAA	4.30	5.36%	0.99%	1,800,000	99.965	1,799,370	99.845	1,797,208	16,585
50075NAS3	KRAFT FOODS INC SR UNSEC	US50075NAS36	6.50%	08/11/2017	BAA+	6.96	6.40%	0.11%	200,000	104.831	209,662	101.576	203,151	1,300
50075NAT1	KRAFT FOODS INC NT	US50075NAT19	6.88%	02/01/2038	BAA+	12.71	6.98%	0.32%	600,000	100.076	600,456	98.501	591,004	5,271
50075NAU8	KRAFT FOODS INC NT	US50075NAU81	6.13%	02/01/2018	BAA+	7.32	6.20%	0.16%	300,000	99.805	299,416	98.801	296,404	2,348
532716AM9	LIMITED BRANDS INC SR UNSEC	US532716AM92	6.90%	07/15/2017	BAA-	6.64	7.76%	0.83%	1,700,000	94.700	1,609,900	88.969	1,512,478	20,202

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BONDS (Duration > 1 Year, and/or Quality < BAA)

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
CORPORATES														
INDUSTRIALS														
620076AZ2	MOTOROLA INC SR NT	US620076AZ29	6.00%	11/15/2017	BAA	7.06	6.94%	0.23%	500,000	94.765	473,827	86.517	432,587	10,167
761713AD8	REYNOLDS AMERICAN INC GLBL CO GTD	US761713AD83	7.25%	06/01/2013	BAA	4.07	6.89%	0.52%	900,000	104.478	940,302	105.229	947,060	19,213
761713AF3	REYNOLDS AMERICAN INC GLBL CO GTD	US761713AF32	7.75%	06/01/2018	BAA	6.98	7.53%	0.39%	700,000	107.822	754,754	102.968	720,774	15,974
761713AU0	REYNOLDS AMERICAN INC BD	US761713AU09	6.75%	06/15/2017	BAA	6.74	6.94%	0.32%	600,000	99.908	599,448	97.324	583,944	10,350
87612EAS5	TARGET CORP GLBL BD SR UNSEC	US87612EAS54	6.00%	01/15/2018	A+	7.36	5.94%	1.33%	2,400,000	99.194	2,380,656	101.020	2,424,480	24,800
87612EAU0	TARGET CORP GLBL BD	US87612EAU01	7.00%	01/15/2038	A+	12.89	6.80%	0.17%	300,000	99.318	297,954	102.967	308,900	3,617
902133AH0	TYCO ELECTRONICS GROUP S SR NT	US902133AH08	5.95%	01/15/2014	BAA	4.62	6.01%	0.54%	1,000,000	99.972	999,720	99.053	990,534	10,413
92343VAB0	VERIZON COMMUNICATIONS GLBL NT	US92343VAB09	5.35%	02/15/2011	A	2.28	5.22%	0.67%	1,200,000	99.779	1,197,348	102.511	1,230,132	5,707
	SUBTOTAL							15.82%			29,659,864		28,850,422	428,701
POOLED FUNDS														
722005865	PIMCO PRV HIGH YIELD SEC FD(706)		7.56%	05/01/2015	BA	4.02	7.56%	2.26%	551,381	8.209	4,526,378	7.450	4,107,792	0
	SUBTOTAL							2.26%			4,526,378		4,107,792	0
PRIVATE PLACEMENTS														
026874BU0	AMERICAN INTL GROUP NT 144A	US026874BU01	8.25%	08/15/2018	AA-	4.97	21.05%	0.34%	1,600,000	100.000	1,600,000	39.187	626,994	10,633
	SUBTOTAL							0.34%			1,600,000		626,994	10,633
	TOTAL CORPORATES							**27.65%**			**57,963,645**		**50,448,160**	**872,818**
EUROS / YANKEES														
EUROS / YANKEES														
25152CMN3	DEUTSCHE BANK AG LONDON NT	US25152CMN38	6.00%	09/01/2017	AA+	7.14	6.00%	1.98%	3,600,000	104.026	3,744,936	99.973	3,599,035	9,600
57069PAC6	MARKS & SPENCER PLC SR SUBORD 144/	US57069PAC68	6.25%	12/01/2017	BAA	7.11	7.31%	0.80%	1,700,000	99.343	1,688,831	85.462	1,452,852	31,285
90261XFA5	UBS AG STAMFORD CT SR UNSEC DPNT	US90261XFA54	5.75%	04/25/2018	AA	7.47	6.33%	0.90%	1,800,000	99.378	1,788,804	90.820	1,634,765	40,825
	SUBTOTAL							3.68%			7,222,571		6,686,653	81,710
	TOTAL EUROS / YANKEES							**3.68%**			**7,222,571**		**6,686,653**	**81,710**
SWAPS														
INTEREST RATE SWAPS - PAY FIXED														
SWU0236E3	IRS USD P 5.0/3ML 12/17/08 MLC PAY			12/17/2038	AAA	16.17		-0.14%	3,200,000	-2.622	-83,893	-8.205	-262,564	0
SWU0252E2	IRS USD P 5.0/3ML 12/17/08 MYC PAY			12/17/2038	AAA	16.17		-0.11%	2,500,000	2.046	51,150	-8.205	-205,129	0

Currency/American Quote: 1.00000 **UNITED STATES** Currency/European Quote: 1.00000

BONDS (Duration > 1 Year, and/or Quality < BAA)

SWAPS

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
INTEREST RATE SWAPS - PAY FIXED														
SWU0262E0	IRS USD P 5.0/3ML 12/17/08 DUB PAY			12/17/2028	AAA	13.01		-0.04%	1,100,000	1.408	15,488	-6.873	-75,605	0
SWU0269E3	IRS USD P 5.0/3ML 12/17/08 RYL PAY			12/17/2018	AAA	7.98		-0.23%	6,600,000	-5.270	-347,820	-6.361	-419,852	0
SWU0293E3	IRS USD P 5.0/3ML 12/17/08 MYC PAY			12/17/2018	AAA	7.98		-0.08%	2,300,000	-5.195	-119,485	-6.361	-146,312	0
SWU0300E4	IRS USD P 5.0/3ML 12/17/08 MYC PAY			12/17/2028	AAA	13.01		-0.34%	9,100,000	0.605	55,055	-6.873	-625,461	0
SWU0318E4	IRS USD P 5.0/3ML 12/17/08 MLC PAY			12/17/2023	AAA	10.80		-0.31%	8,800,000	-0.767	-67,496	-6.418	-564,806	0
SWU0336E2	IRS USD P 5.0/3ML 12/17/08 BRC PAY			12/17/2038	AAA	16.17		-0.02%	500,000	2.724	13,620	-8.205	-41,026	0
SWU0362E9	IRS USD P 5.0/3ML 12/17/08 RYL PAY			12/17/2028	AAA	13.01		-0.05%	1,500,000	-4.398	-65,970	-6.873	-103,098	0
SWU0389E8	IRS USD P 5.0/3ML 12/17/08 CBK PAY			12/17/2015	AAA	5.95		-0.07%	2,200,000	-3.002	-66,033	-6.043	-132,948	0
SWU0390E5	IRS USD P 5.0/3ML 12/17/08 MLC PAY			12/17/2028	AAA	13.01		0.00%	100,000	-1.505	-1,505	-6.873	-6,873	0
SWU0395E0	IRS USD P 5.0/3ML 12/17/08 BOA PAY			12/17/2038	AAA	16.17		-0.14%	3,200,000	-2.054	-65,743	-8.205	-262,564	0
SWU042488	CMM USD P 4.5/CMM 01/23/09 MLC PAY			01/23/2009	AAA	9.50		0.06%	2,000,000	0.195	3,900	5.833	116,661	0
SWU0529E9	IRS USD P 5.0/3ML 12/17/08 CBK PAY			12/17/2028	AAA	13.01		-0.17%	4,600,000	-4.343	-199,778	-6.873	-316,167	0
SWU0545E9	IRS USD P 5.0/3ML 12/17/08 MYC PAY			12/17/2023	AAA	10.80		-0.02%	700,000	-0.563	-3,941	-6.418	-44,928	0
	SUBTOTAL							-1.66%			-882,451		-3,090,673	0
INTEREST RATE SWAPS - RECEIVE FIXED														
SWU0078E4	IRS USD R 3ML/4.0 12/17/08 RYL RECEIVE			12/17/2010	AAA	1.90		0.02%	2,200,000	0.625	13,750	1.742	38,317	0
SWU0109E7	IRS USD R 3ML/4.0 12/17/08 RYL RECEIVE			12/17/2009	AAA	0.99		0.01%	2,900,000	0.857	24,853	1.183	34,294	0
SWU0115E9	IRS USD R 3ML/4.0 12/17/08 LSI RECEIVE			12/17/2010	AAA	1.90		0.00%	0	0.000	0	1.883	0	0
SWU0116E8	IRS USD R 3ML/4.0 12/17/08 DUB RECEIVE			12/17/2009	AAA	0.99		0.01%	1,600,000	0.779	12,464	1.183	18,921	0
SWU0122E0	IRS USD R 3ML/4.0 12/17/08 MLC RECEIVE			12/17/2009	AAA	0.99		0.00%	300,000	0.707	2,121	1.183	3,548	0
SWU0203E2	IRS USD R 3ML/4.0 12/17/08 RYL RECEIVE			12/17/2013	AAA	4.51		0.05%	9,900,000	-1.927	-190,773	1.049	103,888	0
SWU0217E6	IRS USD R 3ML/4.0 06/17/09 MLC RECEIVE			06/17/2010	AAA	0.98		0.01%	2,100,000	-0.404	-8,484	1.018	21,373	0
SWU0274E6	IRS USD R 3ML/4.0 12/17/08 MLC RECEIVE			12/17/2013	AAA	4.51		0.06%	11,600,000	-0.663	-76,947	1.049	121,727	0
SWU0276E4	IRS USD R 3ML/4.0 12/17/08 CBK RECEIVE			12/17/2013	AAA	4.51		0.19%	34,100,000	-1.645	-560,945	1.049	357,835	0
SWU0286E2	IRS USD R 3ML/4.0 12/17/08 MYC RECEIVE			12/17/2013	AAA	4.51		0.17%	29,700,000	-1.666	-494,706	1.049	311,663	0
SWU0297C3	IRS USD R 3ML/4.0 12/17/08 MLC RECEIVE			12/17/2010	AAA	1.90		0.02%	2,300,000	2.240	51,520	1.742	40,059	0
SWU0543E1	IRS USD R 3ML/4.0 12/17/08 GLM RECEIVE			12/17/2013	AAA	4.51		0.02%	3,800,000	-1.760	-66,880	1.049	39,876	0
SWU0701C3	IRS USD R 3ML/4.0 06/17/09 RYL RECEIVE			06/17/2010	AAA	0.98		0.04%	8,200,000	-0.422	-34,584	1.018	83,456	0
SWU0795E6	IRS USD R 3ML/4.0 12/17/08 BOA RECEIVE			12/17/2013	AAA	4.51		0.06%	11,600,000	-0.795	-92,190	1.049	121,727	0
SWU0877D9	IRS USD R 3ML/4.0 12/17/08 BRC RECEIVE			12/17/2010	AAA	1.90		0.02%	2,300,000	2.233	51,359	1.742	40,059	0

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest

Currency/American Quote: 1.00000 **UNITED STATES** **Currency/European Quote: 1.00000**

BONDS (Duration > 1 Year, and/or Quality < BAA)

SWAPS

INTEREST RATE SWAPS - RECEIVE FIXED

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
SWU0883D1	IRS USD R 3ML/4.0 12/17/08 DUB RECEIVE			12/17/2010	AAA	1.90		0.04%	4,400,000	2.160	95,040	1.742	76,635	0
	SUBTOTAL							0.72%			-1,274,402		1,413,377	0
	TOTAL SWAPS							**-0.94%**			**-2,156,852**		**-1,677,296**	**0**

MUNICIPALS

MUNICIPALS

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
13063ACR3	CALIFORNIA ST	US13063ACR32	5.00%	06/01/2037	A+	13.31	5.18%	0.05%	100,000	99.839	99,839	96.450	96,450	1,472
13063AJH8	CA ST VAR PURP	US13063AJH86	5.00%	11/01/2032	A+	12.62	5.12%	0.26%	500,000	99.431	497,155	97.666	488,330	9,444
13063AJK1	CA ST VAR PURP	US13063AJK16	5.00%	11/01/2037	A+	13.48	5.19%	0.21%	400,000	99.839	399,356	96.430	385,720	7,556
13063AVC5	CA ST-VAR PURP	US13063AVC51	5.00%	12/01/2037	A+	13.43	5.19%	0.05%	100,000	99.875	99,875	96.424	96,424	1,472
167725AC4	CHICAGO TRANSIT AUTH	US167725AC49	6.90%	12/01/2040	AA+	12.51	6.23%	0.36%	600,000	100.000	600,000	110.749	664,494	4,714
167725AF7	CHICAGO TRANSIT AUTH	US167725AF79	6.90%	12/01/2040	AA+	12.58	6.24%	0.42%	700,000	100.000	700,000	110.473	773,311	5,500
64972FRA6	NYC WTR-A-2008	US64972FRA65	5.00%	06/15/2038	AAA	13.32	5.00%	0.49%	900,000	104.226	938,034	100.062	900,558	11,500
722005824	PIMCO MUNI SECTOR FD PORTF(704)		4.35%	08/01/2025	AA	10.78	4.35%	1.30%	254,195	10.350	2,630,943	9.310	2,366,554	0
	SUBTOTAL							3.14%			5,965,202		5,771,841	41,659

PRIVATE PLACEMENTS

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
842475A54	STHRN CA PWR-RES-1045 AMBAC 144A	US842475A540	7.96%	07/01/2033	AA	7.89	6.53%	0.50%	750,000	106.493	798,698	121.832	913,740	12,798
	SUBTOTAL							0.50%			798,698		913,740	12,798
	TOTAL MUNICIPALS							**3.64%**			**6,763,900**		**6,685,581**	**54,457**

MUTUAL FUNDS

MUTUAL FUNDS

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
722005246	PIMCO PRIV EM LOC CURR SF (718)		3.91%	01/01/2010	BA+	1.35	3.91%	0.59%	98,437	11.888	1,170,182	10.940	1,076,895	0
	SUBTOTAL							0.59%			1,170,182		1,076,895	0
	TOTAL MUTUAL FUNDS							**0.59%**			**1,170,182**		**1,076,895**	**0**

Currency/American Quote: 1.00000 | UNITED STATES | Currency/European Quote: 1.00000

BONDS (Duration > 1 Year, and/or Quality < BAA)

OPTIONS

OPTIONS FIXED INCOME - PURCHASED

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
TYZ8C0072	CBOT ACAL USTN FUT 12/08 @ 134			11/21/2008	AAA	6.30		0.00%	2,200,000	0.018	399	0.016	344	0
USZ8C0040	CBOT ACAL USTB 12/08 @ 143			11/21/2008	AAA	10.60		0.00%	11,000,000	0.010	1,045	0.047	5,156	0
	SUBTOTAL							0.00%			1,444		5,500	0
	TOTAL OPTIONS							**0.00%**			**1,444**		**5,500**	**0**

GLOBAL POOLED FUNDS

POOLED FUNDS

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
722005840	PIMCO PRIV EMERG MKT SECT(781)		5.24%	12/01/2013	BA	2.44	5.24%	1.89%	353,282	11.133	3,933,065	9.700	3,426,839	0
	SUBTOTAL							1.89%			3,933,065		3,426,839	0
	TOTAL GLOBAL POOLED FUNDS							**1.89%**			**3,933,065**		**3,426,839**	**0**

CREDIT DEFAULT SWAPS

BUY PROTECTION

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
SWPC01T46	H.J. HEINZ COMPANY BP BOA PAY		-0.54%	09/20/2013	BAA	0.00		0.00%	1,800,000	0.000	0	0.388	6,987	-1,863
SWPC01T87	CAMERON INTL BP DUB PAY		-0.82%	09/20/2018	BAA+	0.00		0.02%	900,000	0.000	0	4.048	36,429	-1,394
SWPC01U28	ALCOA INC BP LSI PAY		-1.29%	09/20/2018	BAA+	0.00		0.00%	0	0.000	0	2.738	0	0
SWPC04H92	MORGAN STANLEY BP DUB PAY		-1.83%	06/20/2018	A+	0.00		0.24%	1,800,000	0.000	0	24.833	446,993	-6,314
SWPC059A5	LIMITED BRANDS INC NEGB SNR BP MYC		-3.50%	09/20/2017	BAA-	0.00		0.00%	1,700,000	0.000	0	-0.486	-8,270	-3,306
SWPC06L68	TYCO ELECTRONICS BP BOA PAY		-1.10%	03/20/2014	BAA	0.00		0.00%	1,000,000	0.000	0	-0.324	-3,242	-2,108
SWPC07416	ALLSTATE BP MYC PAY		-0.26%	12/20/2008	A+	0.00		0.00%	500,000	0.000	0	0.098	491	-321
SWPC07432	INGERSOLL-RAND BP MEI PAY		-0.32%	12/20/2008	BAA+	0.00		0.00%	300,000	0.000	0	0.022	67	-237
SWPC07457	EMERSON BP MYC PAY		-0.21%	12/20/2008	A	0.00		0.00%	300,000	0.000	0	-0.006	-17	-156
SWPC07473	ELI LILLY BP BRC PAY		-0.16%	12/20/2008	AA	0.00		0.00%	500,000	0.000	0	-0.025	-127	-198
SWPC07481	E.I. DU PONT BP BOA PAY		-0.13%	12/20/2008	A	0.00		0.00%	300,000	0.000	0	0.040	120	-96
SWPC07507	HEWLETT-PACK BP BTI PAY		-0.32%	12/20/2008	A	0.00		0.00%	400,000	0.000	0	-0.027	-106	-316
SWPC07515	JOHNSON BP LSI PAY		-0.11%	12/20/2008	AAA	0.00		0.00%	0	0.000	0	0.024	0	0
SWPC07523	HOME DEPOT BP LSI PAY		-0.12%	12/20/2008	AA	0.00		0.00%	0	0.000	0	0.219	0	0
SWPC07531	WAL-MART BP BRC PAY		-0.14%	12/20/2008	AA	0.00		0.00%	800,000	0.000	0	0.041	330	-277
SWPC07549	FEDEX CORP BP CBK PAY		-0.29%	12/20/2008	BAA	0.00		0.00%	300,000	0.000	0	0.154	463	-215
SWPC07556	WHIRLPOOL BP LSI PAY		-0.29%	12/20/2008	BAA	0.00		0.00%	0	0.000	0	0.125	0	0

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BONDS (Duration > 1 Year, and/or Quality < BAA)

CREDIT DEFAULT SWAPS

BUY PROTECTION

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
SWPC07564	EATON BP CBK PAY		-0.28%	12/20/2008	A	0.00		0.00%	400,000	0.000	0	0.044	176	-277
SWPC07572	GANNETT BP MEI PAY		-0.22%	12/20/2008	A-	0.00		0.00%	100,000	0.000	0	0.745	745	-54
SWPC07762	AUTOZONE BP UAG PAY		-0.35%	12/20/2008	BAA	0.00		0.00%	600,000	0.000	0	0.045	267	-519
SWPC07804	COSTCO BP LSI PAY		-0.24%	12/20/2008	A	0.00		0.00%	0	0.000	0	0.004	0	0
SWPC07812	MASCO BP LSI PAY		-0.30%	12/20/2008	BAA+	0.00		0.00%	0	0.000	0	0.645	0	0
SWPC07820	RADIOSHACK BP LSI PAY		-0.35%	12/20/2008	BA+	0.00		0.00%	0	0.000	0	0.227	0	0
SWPC07846	WALT DISNEY BP BRC PAY		-0.67%	12/20/2008	A	0.00		0.00%	200,000	0.000	0	-0.112	-223	-331
SWPC07853	CAPITAL ONE BP BTI PAY		-1.09%	12/20/2008	A	0.00		0.00%	100,000	0.000	0	1.125	1,125	-269
SWPC07861	NORTHROP BP LSI PAY		-0.48%	12/20/2008	BAA+	0.00		0.00%	0	0.000	0	-0.083	0	0
SWPC07887	LOCKHEED BP LSI PAY		-0.53%	12/20/2008	A-	0.00		0.00%	0	0.000	0	-0.110	0	0
SWPC07903	GOODRICH BP LSI PAY		-0.97%	12/20/2008	BAA+	0.00		0.00%	0	0.000	0	-0.164	0	0
SWPC08208	DEERE BP BTI PAY		-0.24%	12/20/2008	A	0.00		0.00%	200,000	0.000	0	0.002	4	-119
SWPC08216	RADIOSHACK BP UAG PAY		-0.37%	12/20/2008	BA+	0.00		0.00%	200,000	0.000	0	0.220	439	-183
SWPC08224	CATERPILLAR BP BTI PAY		-0.19%	12/20/2008	A	0.00		0.00%	200,000	0.000	0	0.036	72	-94
SWPC09081	EMERSON BP MYC PAY		-0.22%	12/20/2008	A	0.00		0.00%	200,000	0.000	0	-0.008	-17	-109
SWPC09149	INTL PAPER BP BTI PAY		-0.60%	12/20/2008	BAA	0.00		0.00%	200,000	0.000	0	0.223	446	-297
SWPC09156	ANADARKO BP MEI PAY		-0.27%	12/20/2008	BAA-	0.00		0.00%	200,000	0.000	0	0.149	298	-134
SWPC09164	CARNIVAL BP UAG PAY		-0.44%	12/20/2008	A-	0.00		0.00%	200,000	0.000	0	0.096	191	-218
SWPC09180	OCCIDENTAL BP MEI PAY		-0.28%	12/20/2008	A	0.00		0.00%	200,000	0.000	0	0.062	124	-138
SWPC09222	SIMON PRP BP UAG PAY		-0.44%	12/20/2008	A-	0.00		0.00%	200,000	0.000	0	0.161	323	-218
SWPC09230	KROGER CO BP MYC PAY		-0.53%	12/20/2008	BAA	0.00		0.00%	200,000	0.000	0	-0.061	-121	-262
SWPC09248	WAL-MART BP BTI PAY		-0.15%	12/20/2008	AA	0.00		0.00%	200,000	0.000	0	0.039	77	-74
SWPC09255	MOTOROLA BP MEI PAY		-0.85%	12/20/2008	BAA	0.00		0.00%	200,000	0.000	0	0.063	127	-420
SWPC11715	TARGET CORP BP MYC PAY		-1.20%	03/20/2018	A+	0.00		-0.01%	1,200,000	0.000	0	-2.816	-33,788	-3,560
SWPC11723	TARGET CORP BP GST PAY		-1.18%	03/20/2018	A+	0.00		-0.01%	1,200,000	0.000	0	-2.664	-31,963	-3,501
SWPC122A8	KRAFT FOODS INC SNR BP GST PAY		-0.95%	09/20/2018	BAA+	0.00		0.01%	900,000	0.000	0	2.658	23,922	-143
SWPC185A2	COX COMMUNICATIONS INC SNR BP JPM		-0.69%	09/20/2013	BAA-	0.00		0.00%	400,000	0.002	8	0.954	3,814	-46
SWPC21649	RESIDENTIAL CAPITAL BP HUS PAY		-1.33%	03/20/2017	CAA-	0.00		0.11%	250,000	0.000	0	81.106	202,765	-822
SWPC30F99	REYNOLDS AMERICAN BP BRC PAY		-1.20%	06/20/2013	BAA	0.00		0.00%	900,000	0.000	0	1.104	9,933	-2,070
SWPC34790	BUNGE NA FINANCE LP BP JPM PAY		-0.85%	06/20/2017	BAA	0.00		0.13%	3,419,000	0.000	0	6.915	236,439	-7,185
SWPC36100	AMERICAN INTL GROUP BP RYL PAY		-1.30%	12/20/2017	A-	0.00		0.34%	1,700,000	0.000	0	37.245	633,162	-5,464
SWPC36423	COM-WAY INC BP BOA PAY		-1.83%	03/20/2018	BAA	0.00		0.16%	3,500,000	0.000	0	8.490	297,135	-15,869
SWPC37330	AMERICAN GENERAL FIN CORP BP MEI P/		-1.37%	12/20/2017	A-	0.00		0.36%	1,800,000	0.000	0	36.967	665,399	-6,097
SWPC39567	KRAFT FOODS BP DUB PAY		-0.59%	09/20/2017	BAA+	0.00		0.00%	200,000	0.000	0	4.875	9,749	-292

PACIFIC INVESTMENT MANAGEMENT COMPANY

Account No: 1420 State of Montana Public Employee Deferred Comp Plan

Portfolio Inventory

As Of Date: 09/16/2008

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest

Currency/American Quote: 1.00000 **UNITED STATES** **Currency/European Quote:** 1.00000

BONDS (Duration > 1 Year, and/or Quality < BAA)

CREDIT DEFAULT SWAPS

BUY PROTECTION

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
SWPC39898	MARKS & SPENCER PLC BP RYL PAY		-0.95%	12/20/2017	BAA	0.00		0.14%	1,700,000	0.000	0	15.237	259,036	-3,993
SWPC39906	ALCOA INC BP BOA PAY		-0.56%	03/20/2017	BAA+	0.00		0.05%	1,300,000	0.000	0	7.040	91,519	-1,800
SWPC40292	RR DONNELLEY BP BOA PAY		-0.80%	03/20/2017	BAA+	0.00		0.06%	1,700,000	0.000	0	7.038	119,644	-3,362
SWPC44278	MOTOROLA BP RYL PAY		-3.60%	12/20/2017	BAA	0.00		0.00%	200,000	0.000	0	-5.650	-11,300	-1,780
SWPC45788	CDX HY-8 100 25-35% BP CBK PAY		-1.63%	06/20/2012	AA	0.00		0.03%	500,000	0.000	0	11.032	55,162	-2,015
SWPC57452	NEWELL RUBBERMAID BP UAG PAY		-0.48%	06/20/2017	BAA+	0.00		0.00%	200,000	0.000	0	7.835	15,670	-237
SWPC66354	NEWELL RUBBERMAID BP RYL PAY		-0.49%	06/20/2017	BAA+	0.00		0.01%	300,000	0.000	0	7.801	23,403	-360
SWPC66735	AUTOZONE BP RYL PAY		-0.64%	06/20/2017	BAA	0.00		0.01%	400,000	0.000	0	4.680	18,718	-628
SWPC70398	AUTOZONE BP RYL PAY		-0.64%	06/20/2017	BAA	0.00		0.00%	200,000	0.000	0	4.645	9,290	-316
SWPC80348	CDX IG9 10Y BP GST PAY		-0.80%	12/20/2017	BAA+	0.00		0.11%	3,000,000	1.001	30,033	7.016	210,467	-5,933
SWPC82310	CDX IG9 10Y BP BRC PAY		-0.80%	12/20/2017	BAA+	0.00		0.03%	1,000,000	1.316	13,158	7.016	70,156	-1,978
SWPC83862	CDX IG7 10Y BP GST PAY		-0.65%	12/20/2016	BAA	0.00		0.00%	200,000	-0.709	-1,418	8.854	17,709	-321
SWPC85545	LOEWS CORP BP BTI PAY		-0.30%	03/20/2016	A	0.00		0.00%	700,000	0.000	0	2.323	16,260	-519
SWPC86436	MORGAN STANLEY BP RYL PAY		-0.32%	12/20/2016	A+	0.00		0.09%	600,000	0.000	0	29.777	178,662	-475
SWPC87657	CDX IG5 7YR 10-15% BP MYC PAY		-0.14%	12/20/2012	AAA	0.00		0.06%	900,000	0.000	0	13.476	121,284	-317
SWPC87764	CDX IG5 7YR 10-15% BP MYC PAY		-0.14%	12/20/2012	AAA	0.00		0.22%	3,000,000	0.000	0	13.476	404,281	-1,057
SWPC88051	CDX HVOL7 BP BRC PAY		-0.75%	12/20/2011	BAA	0.00		0.25%	3,800,000	0.165	6,281	11.993	455,745	-7,046
SWPC95C12	MOTOROLA BP MYC PAY		-3.55%	12/20/2017	BAA	0.00		0.00%	300,000	0.000	0	-5.320	-15,959	-2,633
SWPC95N28	CDX IG10 5Y BP BRC PAY		-1.55%	06/20/2013	BAA+	0.00		0.03%	4,900,000	-1.823	-89,347	1.413	69,252	-18,777
SWPC95N51	CDX IG10 5Y BP DUB PAY		-1.55%	06/20/2013	BAA+	0.00		0.04%	6,100,000	-0.033	-2,002	1.413	86,211	-23,375
SWPC95N77	CDX IG10 5Y BP GST PAY		-1.55%	06/20/2013	BAA+	0.00		0.00%	500,000	-1.099	-5,496	1.413	7,067	-1,916
SWPC95N85	CDX IG10 5Y BP JPM PAY		-1.55%	06/20/2013	BAA+	0.00		0.01%	1,900,000	-1.605	-30,500	1.413	26,853	-7,281
SWPC95P18	CDX IG10 5Y BP MYC PAY		-1.55%	06/20/2013	BAA+	0.00		0.00%	1,000,000	-0.693	-6,925	1.413	14,133	-3,832
SWPC95R16	CDX IG10 10Y BP DUB PAY		-1.50%	06/20/2018	BAA+	0.00		0.04%	3,800,000	-1.634	-62,099	1.954	74,263	-14,092
SWPC95R32	CDX IG10 10Y BP GST PAY		-1.50%	06/20/2018	BAA+	0.00		0.01%	1,500,000	-2.741	-41,116	1.954	29,314	-5,563
SWPC95R73	CDX IG10 10Y BP MYC PAY		-1.50%	06/20/2018	BAA+	0.00		0.02%	2,600,000	-1.008	-26,199	1.954	50,811	-9,642
SWPC96005	CDX IG7 10Y BP MYC PAY		-0.65%	12/20/2016	BAA	0.00		0.06%	1,400,000	-0.765	-10,704	8.854	123,962	-2,250
SWPC96W83	CDX IG9 10Y BP RYL PAY		-0.80%	12/20/2017	BAA+	0.00		0.02%	700,000	1.457	10,202	7.016	49,109	-1,384
	SUBTOTAL							2.64%			-216,124		5,071,456	-188,444

SELL PROTECTION

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
SWPC00379	ABX.HE.AAA.06-1 SP DUB RECEIVE		0.18%	07/25/2045	AAA	0.00		-0.03%	486,227	-11.090	-53,922	-11.750	-57,132	56
SWPC06L92	GECC SP BRC RECEIVE		1.10%	03/20/2009	AAA	0.00		0.00%	1,600,000	0.000	0	-0.635	-10,166	3,324
SWPC41753	GOLDMAN SACHS GR INC SP JPM RECEIV		0.58%	09/20/2017	AA-	0.00		-0.36%	3,200,000	0.000	0	-20.780	-664,948	4,588

Currency/American Quote: 1.00000

UNITED STATES

Currency/European Quote: 1.00000

BONDS (Duration > 1 Year, and/or Quality < BAA)

CREDIT DEFAULT SWAPS

SELL PROTECTION

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
SWPC42785	RESIDENTIAL CAPITAL SP UAG RECEIVE		6.35%	03/20/2017	CAA-	0.00		-0.10%	250,000	0.000	0	-75.888	-189,721	3,925
SWPC44112	CDX IG9 5Y 15-30% SP MYC RECEIVE		1.34%	12/20/2012	BAA+	0.00		0.00%	5,200,000	0.000	0	-0.150	-7,799	17,226
SWPC53980	MORGAN STANLEY SP BPS RECEIVE		0.87%	09/20/2012	A+	0.00		-0.22%	2,000,000	0.000	0	-20.067	-401,338	4,302
SWPC78748	ABX.HE.AAA.06-2 SP GST RECEIVE		0.11%	05/25/2046	AAA	0.00		-1.28%	6,400,000	-22.500	-1,440,000	-36.250	-2,320,000	450
SWPC81171	CDX IG5 10YR 10-15% SP MYC RECEIVE		0.46%	12/20/2015	AAA	0.00		-0.07%	670,000	0.000	0	-21.539	-144,313	758
SWPC82229	CDX IG9 5Y SP DUB RECEIVE		0.60%	12/20/2012	BAA+	0.00		-0.02%	900,000	-0.604	-5,433	-5.231	-47,082	1,335
SWPC82245	CDX IG9 5Y SP GST RECEIVE		0.60%	12/20/2012	BAA+	0.00		-0.42%	14,800,000	-2.520	-372,933	-5.231	-774,229	21,953
SWPC87756	CDX IG5 10YR 10-15% SP MYC RECEIVE		0.46%	12/20/2015	AAA	0.00		-0.24%	2,100,000	0.000	0	-21.511	-451,722	2,401
	SUBTOTAL							-2.74%			-1,872,289		-5,068,450	60,319
	TOTAL CREDIT DEFAULT SWAPS							**-0.10%**			**-2,088,413**		**3,007**	**-128,125**
	TOTAL BONDS (Duration > 1 Year, and/or Quality < BAA)							**64.97%**			**125,498,948**		**118,811,810**	**1,188,452**

MONEY MARKET FUTURES CONTRACTS

TREASURIES/AGENCIES

MONEY MARKET FUTURES

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
EDH000009	FIN FUT EURO$ CME 03/15/10			03/16/2010	AAA	0.25		18.70%	35,000,000	96.035	33,612,250	96.830	33,890,500	0
EDH900000	FIN FUT EURO$ CME 03/16/09			03/17/2009	AAA	0.25		180.17%	335,000,000	97.113	325,327,300	97.445	326,440,750	0
EDM900004	FIN FUT EURO$ CME 06/15/09			06/16/2009	AAA	0.25		-43.56%	-81,000,000	97.745	-79,173,450	97.435	-78,922,350	0
EDU800007	FIN FUT EURO$ CME 09/15/08			09/16/2008	AAA	0.25		0.00%	0	0.000	0	96.335	0	0
EDU900005	FIN FUT EURO$ CME 09/14/09			09/15/2009	AAA	0.25		24.71%	46,000,000	96.507	44,393,200	97.340	44,776,400	0
EDZ800002	FIN FUT EURO$ CME 12/15/08			12/16/2008	AAA	0.25		28.93%	54,000,000	96.955	52,355,700	97.085	52,425,900	0

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest

Currency/American Quote: 1.00000 **UNITED STATES** **Currency/European Quote: 1.00000**

MONEY MARKET FUTURES CONTRACTS

TREASURIES/AGENCIES

MONEY MARKET FUTURES

CUSIP	Description	ISIN	Coupon	Maturity	Rating	Effective Duration	Current Yield	% of Mkt Val	Par/Shares	Cost Price	Cost USD Total	Market Price	Market USD Total	Accrued Interest
EDZ900000	FIN FUT EURO$ CME 12/14/09			12/15/2009	AAA	0.25		107.10%	200,000,000	96.579	193,158,400	97.030	194,060,000	0
	SUBTOTAL							316.05%			569,673,400		572,671,200	0
	TOTAL TREASURIES/AGENCIES							**316.05%**			**569,673,400**		**572,671,200**	**0**
	TOTAL MONEY MARKET FUTURES CONTRACTS							**316.05%**			**569,673,400**		**572,671,200**	**0**
	TOTAL UNITED STATES							**418.36%**			**764,559,538**		**759,513,744**	**1,285,209**

TOTAL ACCOUNT SUMMARY

TOTAL POSITIONS HELD *(excluding Cash Equivalents)*	118,811,810.06
CASH EQUIVALENT ASSETS	
CASH EQUIVALENT SECURITIES	68,030,734.88
CURRENCY FORWARD POSITIONS	0.00
NET MONEY MARKET FUTURES POSITIONS [1]	143,167,800.00
INTEREST AND DIVIDENDS ACCRUED / RECEIVABLE	1,285,208.59
RESIDUAL CASH	5,684,956.44
OTHER ASSETS / LIABILITIES	
NET MONEY MARKET FUTURES (DUE TO) / DUE FROM BROKER [1]	(143,167,800.00)
NET BOND/STOCK EQUIVALENT FUTURES (DUE TO) / DUE FROM BROKER	(29,115,906.25)
NET UNSETTLED TRADES (DUE TO) / DUE FROM BROKER *(including Currency)*	16,483,240.01
NET ACCOUNTING VALUE (USD)	**181,180,043.73**

1. The notional amount of money market futures is divided by the term of the underlying interest rate to properly reflect exposure. Eurodollar futures, based on an annualized 3-month interest rate, are divided by 4; Fed funds futures, based on an annualized 1-month rate, are divided by 12.

CASH EQUIVALENT SUMMARY

CASH EQUIVALENT SECURITIES HELD	
SHORT TERM INVESTMENT FUNDS	1,693,039.96
OTHER CASH EQUIVALENT SECURITIES	66,337,694.92
TOTAL CASH EQUIVALENT SECURITIES HELD	**68,030,734.88**
OTHER CASH EQUIVALENTS	
RESIDUAL CASH	5,684,956.44
INTEREST AND DIVIDENDS ACCRUED / RECEIVABLE	1,285,208.59
TOTAL OTHER CASH EQUIVALENTS	**6,970,165.03**
TOTAL CASH AND CASH EQUIVALENT ASSETS	**75,000,899.91**
OTHER ASSETS AND LIABILITIES	
CURRENCY FORWARD POSITIONS	0.00
NET CURRENCY FORWARDS (DUE TO) / DUE FROM BROKER	0.00
NET UNSETTLED TRADES (DUE TO) / DUE FROM BROKER	16,483,240.01
NET MONEY MARKET FUTURES POSITIONS	143,167,800.00
NET MONEY MARKET FUTURES(DUE TO) / DUE FROM BROKER	(143,167,800.00)
NET BOND/STOCK EQUIVALENT FUTURES (DUE TO) / DUE FROM BROKER	(29,115,906.25)
SWAPS ADJUSTMENT TO BOND EXPOSURE [2]	(63,300,000.00)
TOTAL OTHER ASSETS AND LIABILITIES	**(75,932,666.24)**
NET CASH EQUIVALENTS AVAILABLE FOR INVESTMENT (USD)	**(931,766.33)**

2. Represents the offsetting exposure of the floating-rate leg of interest rate, index, and total return swaps, and the implied liability/asset associated with credit default swaps.

Derivatives Summary

State of Montana Public Employee Deferred Comp Plan

	% of Duration	% of Mkt Value	Characteristics of Derivatives	Control Measures
Bond-Equivalent Derivatives **Government Futures** U. S. Non - U.S.			Used to adjust interest rate exposures and replicate government bond positions. May offer opportunity to outperform due to active management of the liquid portfolio backing the exposure.	Bond-equivalent exposure included in portfolio duration. Back net long futures positions with high grade, liquid debt securities.
Other Futures			Includes municipal, mortgage-backed and interest rate swap futures.	See Government Futures
Interest Rate Swaps Receive Pay			Includes Swaps with duration greater than 1 year. Used to adjust interest rate and yield curve exposures and substitute for physical securities. Long swap positions ("receive fixed") increase exposure to long-term interest rates; short positions ("pay fixed") decrease exposure.	Bond-equivalent exposure included in portfolio duration. Back net long swaps positions with high grade, liquid debt securities.
Credit Default Swaps Written Purchased			Credit default swaps are used to manage credit exposure without buying or selling securities outright. Written CDS increase credit exposure ("selling protection"), obligating the portfolio to buy bonds from counterparties in the event of a default. Purchased CDS decrease exposure ("buying protection"), providing the right to "put" bonds to the counterparty in the event of a default.	Bond-equivalent exposure included in portfolio credit risk measures. Back net long exposures with high grade, liquid debt securities. Continually monitor underlying credit exposure.
Total Return Swaps			Efficient means to gain exposure to an index or market sector. May offer opportunity to outperform due to active management of the liquid portfolio backing the exposure.	See Interest Rate Swaps
Option Premiums Written Purchased			Purchased options are used to manage interest rate and volatility exposures. Written options generate income in expected interest rate scenarios and may generate capital losses if unexpected interest rate environments are realized. Both written and purchased options will become worthless at expiration if the underlying instrument does not reach the strike price of the option.	Bond-equivalent exposure included in portfolio duration (weighted by volatility relative to underlying instrument). In-the-money portion of written options covered by high grade, liquid debt securities.
Mortgage Derivatives			Used to manage portfolio duration and/or enhance yield. Includes securities determined by PIMCO to have potentially less stable duration characteristics, such as Interest Only strips (IOs), Principal Only strips (POs), Support Class CMOs and Inverse Floaters. Value will fluctuate as prepayment speeds respond to rising and falling interest rates.	Bond exposure included in portfolio duration, convexity, and prepayment risk measures. Use IOs' and POs' in moderation and in an overall portfolio context.
Total Bond-Equiv. Derivatives:	**%**	**%**		
Money Market Derivatives Futures Interest Rate Swaps			Used to manage exposures at the front end of the yield curve. Includes Swaps with duration of 1 year or less, and Eurodollar, Euribor and other futures based on short-term interest rates. The notional amount of money market futures is divided by the term of the underlying interest rate to properly reflect the exposure. Eurodollar futures, based on an annualized 3-month interest rate, are divided by 4; Fed funds futures, based on an annualized 1-month rate, are divided by 12.	Bond-equivalent exposure included in portfolio duration. Money market futures are based on short-term interest rates and don't require delivery of an asset at expiration, therefore do not require cash backing.

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ACCOUNTING REPORT GLOSSARY

Pacific Investment Management Company employs a TRADE DATE-BASIS, ACCRUAL-BASIS, double-entry accounting system. Since many custodian statements are based on settlement date-basis, or cash-basis accounting systems, there may be some confusion as to what information is contained under various headings in our accounting reports. Therefore, we have defined many of the terms as we use them in our statements.

Amount - Value given / received when security was bought / sold.

Broker - PIMCO internal code.

Broker Cash Collateral Received - In the form of cash, the amount of collateral that has been pledged & received from authorized Counterparties (Initial Cash Collateral Amount + Accrued Interest).

Cash Equivalents (Duration <=1 year) - PIMCO defines Cash Equivalent securities as liquid securities of investment grade quality with duration of 1 year or less. Duration of 1 year or less is usually attributed to the following classes of securities:

- Overnight securities and instruments with final maturity dates within one year, including but not limited to Short Term Investment Funds, repurchase agreements, commercial paper, certificates of deposit, Treasury bills, etc.
- Adjustable Rate and Floating Rate instruments with interest reset periods of 1 year or less exhibiting price volatility commensurate with the reset frequency.
- Fixed rate instruments with coupon rates and/or prepayment features leading to market expectations of substantial repayment within 1 year and exhibiting price volatility commensurate with this expectation.

Cost Amount - This is the original cost of a position. When a position consists of several "lots" purchased at different prices, it is the total cost of the lots. Any expenses associated with an acquisition (i.e., postage, insurance, commissions) are included in Cost Amount.

Dividend Rate - In the case of bonds, it is the coupon rate on the bonds. In the case of stocks, it is the current annual dividend amount per share expressed in dollars. Finally, in the case of cash equivalents, it is the annualized yield. The rate reported for commingled short-term investment funds is the annualized yield as of the date of the statement.

Dividends Receivable - When a stock goes ex-dividend, we show the dividend as receivable. It is automatically posted to cash on the dividend payment date.

Due To/From Broker - This aggregates items which have been bought/sold, including short sales (forward pass-through buys/sales). They are included/removed from the inventory as of the Trade Date, but posting to cash does not occur until Settlement Date.

Duration - Measures the sensitivity of a bond or portfolio's price to changes in interest rates. The calculation of duration incorporates yield, coupon, final maturity and call features into one measure.

Exchange rate - The relative value of one currency to the U.S. dollar.

Factor - The multiple of original face outstanding at the time of purchase or sale.

Futures Long / Futures Short - Refers to aggregate market value positions in financial futures contracts either held for future delivery into account (Futures Long) or the future delivery of financial instruments from account (Futures Short).

IND % - Refers to percent of asset classification (i.e., Cash and Cash equivalents, Bonds, Equities).

Int. B/S - Interest bought or sold.

Interest Receivable - Interest income impacts the portfolio as soon as it is earned.

Market Amount - Market Price times Quantity.

Market Price - Closing prices on most securities are obtained from vendors such as Interactive Data Corp., Merrill Lynch, and Bear Street Software. PIMCO also has an internal duration model that calculates prices based on a treasury yield spread. Market prices are also obtained from other services such as Bloomberg, Reuters and various market makers.

NAV % - Refers to percent of Total Account Market Value.

Net Unsettled Trades - This is the sum of any Due-To-Broker and Due-From-Broker amounts. The actual item purchased shows in the inventory listing as of the Trade Date. The payable is automatically posted against cash on Settlement Date.

Original Face - Value of asset pool at time of origination.

Pay Code - "S" indicates transaction has settled.

Paydowns - Include all pass-through principal payments.

Payups - Included are regular additions to GNMA Graduated-Payment Mortgage principal balances, as well as some CMOs.

Price -	Value of security at the time of purchase or sale.
Principal -	Original face multiplied by factor price.
Share / Par -	Refers to par value in the case of bonds, and number of shares in the case of stocks.
Short Sales -	We are using this feature of our system to reflect forward pass-through sales prior to the availability of pool factors. They are reflected in the portfolio inventory beneath the long position as negative.
Total Cash Less Unsettled Trades -	This refers to all items in the Cash Accounts section of the inventory, less any Due-To-Broker and Due-From-Broker Amounts.
Total Cost -	This is the total original cost of positions. When positions consists of several "lots" purchased at different prices, it is the total cost of the lots.
Unit Cost -	This is Cost Amount divided by Quantity times 100.
Yield -	The rate of annual income return on an investment expressed as a percentage. Current yield is obtained by dividing the coupon rate of interest by the market price. Estimated yield to maturity is obtained by applying discounts and premiums from par to the income return. Bond yields move inversely to market prices. As market prices rise, yields on existing securities fall, and vice versa.

EXPLANATION OF PIMCO'S ACCOUNTING TREATMENT OF FINANCIAL FUTURES POSITIONS

Accounting conventions for handling futures contract positions require that all open futures positions be disclosed as memo items on balance sheet statements (i.e., there is no cost or market value associated with a position). Although this approach discloses the existence of futures positions, it is not helpful in gauging the volatility characteristics of the portfolio. For example, a $100,000 portfolio of cash that is also "long" one Treasury Bond futures contract at a price of 100 (equates to owning $100,000 of Treasury Bonds) would look as follows:

PORTFOLIO INVENTORY AS OF September 16, 2008

Cash	$100,000
Long One Treasury Bond Future	- -
TOTAL	$100,000

Viewing the above statement may give the impression that the portfolio is a conservative one, because all of its assets are in cash. However, being long the bond futures contract means that the value of the portfolio will fluctuate similar to a 30-year bond. Therefore, in order to reflect the economic impact of our futures positions, we prefer to value them for portfolio inventory purposes at their market value. Then, to avoid double-counting, the value of the futures positions is offset with a contra-account liability (Futures - Long Positions).

The example above would look as follows according to our methodology:

PORTFOLIO INVENTORY AS OF September 16, 2008

Cash	$100,000
Long One Treasury Bond Future	$100,000
Futures - Long Positions	(100,000)
TOTAL	$100,000

By valuing the portfolio's futures positions in this manner, it is easy to grasp their impact and size. In this case, comparing the $100,000 futures positions to the total portfolio value of $100,000 indicates that the portfolio is essentially 100% invested in long bonds.

P I M C O